

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 8DATE 2.13.09BILL NO. SB 8

SENATE BILL NO. 8

INTRODUCED BY K. HANSEN

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING FOR THE CREATION OF REGIONAL RESOURCE
 AUTHORITIES; GRANTING A REGIONAL RESOURCE AUTHORITY ~~SELF-GOVERNING~~ ^{CERTAIN} POWERS;
 AMENDING ^{SECTION 3} SECTION 2-7-501, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7-6-4020, 7-6-4035, AND 15-10-420,

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Regional resource authorities -- purpose.** (1) Electors residing within
 the boundaries of a proposed regional resource authority may create an authority by proceeding under the
 provisions of [sections 1 through 7].

(2) Regional resource authorities may be created to provide for collaboration and coordination in the
 management of water resources for agricultural, ^{and} recreational, ~~and municipal~~ uses.

NEW SECTION. **Section 2. Authorization to create regional resource authorities.** (1) A petition
 requesting the establishment of a regional resource authority must be signed by at least 10% of the registered
 electors within the ^{boundaries} ~~limits~~ of the territory proposed to be organized into the authority and must be presented to the
 board of county commissioners of the county in which the proposed authority is located.

(2) When the area to be included within the proposed authority lies in more than one county, the electors
 within the proposed area shall present a petition to the board of county commissioners in each county. Each
 petition must contain the signatures of at least 10% of the registered electors within the boundaries of the
 proposed authority that lies within that county.

(3) The petition must include:

(a) a legal description or map of the proposed authority boundaries. Boundaries ~~must~~:

(i) ^{must} coincide with the boundaries of political subdivisions of the state to the greatest extent possible; and

(ii) ^{must} include all of the territory of a county, but may exclude incorporated cities or towns, ~~and may include~~
~~reservations, but only by cooperative agreement with a tribal government;~~ ^{and} (iii) may not... ;

(b) the proposed name of the authority;

(c) a statement that there is a need in the interest of the public health, safety, and welfare for an authority

- 1 to function in the territory described in the petition ^{keep} ~~and~~ ^{and}
- 2 (d) the authority's proposed charter pursuant to [section 7], and ~~and~~
- 3 (e) a request that a referendum be held in the territories included within the proposed boundaries on the
- 4 question of creating the authority ~~and granting it the powers enumerated in a charter.~~
- 5

6 **NEW SECTION. Section 3. Regional resource authority -- notice of petition -- hearing.** (1) The

7 board of county commissioners shall publish the text of the petition described in [section 2], as provided in

8 7-1-2121, in each county in which the proposed regional resource authority lies and shall publish the date, time,

9 and place that a public hearing on the petition will be held.

10 (2) If the proposed authority lies within two or more counties, the provisions of this section apply to each

11 county.

12 (3) Upon concluding the hearing on the petition, the board of county commissioners shall determine

13 whether the petition complies with the requirements of [section 2] and enter its determination into the minutes of

14 a regularly scheduled meeting.

15

16 **NEW SECTION. Section 4. Regional resource authority -- election required -- notice.** (1) Upon a

17 determination that the petition complies with the provisions of [section 2], the board of county commissioners of

18 each county in which the proposed regional resource authority lies shall give notice of an election to be held

19 within the boundaries of the proposed authority for the purpose of determining whether a regional resource

20 authority should be created ~~and exercise the powers proposed in the accompanying charter.~~ The election must

21 be held in conjunction with a regular or primary election.

22 (2). Notice of the election must be made as provided in 13-1-108 and must:

23 (a) describe the purpose of the proposed authority; ~~and~~ ^{and}

24 (b) state the name of the proposed authority; ~~and~~

25 (c) ~~include the charter proposed by the authority.~~

26 (3) The election on the question of creating a regional resource authority ~~and granting it the powers~~

27 ~~proposed in the accompanying charter~~ must be conducted as provided by Title 13 with respect to general and

28 school elections.

29 (4) If the proposed authority lies in more than one county, the board of county commissioners whose

30 county contains the largest percentage of the territory of the proposed authority shall administer the election and

1 canvass the returns.

2

3 **NEW SECTION. Section 5. Resolution creating regional resource authority upon favorable vote.**

4 (1) If a majority of the votes cast within the proposed boundaries of the regional resource authority are in favor
 5 of creating the authority ~~and granting it the powers enumerated in the proposed charter~~, the board of county
 6 commissioners in the county that administered the election shall, by resolution, declare the territory enclosed
 7 within the proposed boundaries duly organized as a regional resource authority.

8 (2) Immediately following adoption of the resolution creating the regional resource authority, the board
 9 of county commissioners shall file a copy of the resolution with the secretary of state and the county clerk and
 10 recorder.

11

12 **NEW SECTION. Section 6. Regional resource authority -- certificate of incorporation from**
 13 **secretary of state.** Within 10 days of receiving a copy of the resolution described in [section 5], the secretary of
 14 state shall issue a certificate stating that the regional resource authority has been established under the laws of
 15 the state of Montana. The secretary of state shall file a copy of the certificate with the clerk and recorder in each
 16 county in which the authority is located.

17

18 ~~**NEW SECTION. Section 7. Regional resource authority -- self-governing powers.** (1) A regional
 19 resource authority formed pursuant to [sections 1 through 7] may, as provided by Article XI, section 6, of the
 20 Montana constitution, exercise any power not prohibited by the constitution, law, or charter.~~

21 (2) A regional resource authority charter must:

22 (a) provide for an elected legislative body, specifying the number of members, their terms of office, their
 23 qualifications, the grounds for their removal, and the method for filling vacancies; and

24 (b) define the powers, privileges, rights, and duties of the regional resource authority.

25 (3) Charter provisions must comply with the requirements and limitations of Title 7, chapter 1, part 1, and
 26 Title 7, chapter 3, part 7.

27 (4) A regional resource authority charter must be approved by the qualified electors pursuant to [section

28 5]

29

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Section 8. Section 2-7-501, MCA, is amended to read:

**Legislative
Services
Division**

1 **"2-7-501. Definitions.** Unless the context requires otherwise, in this part, the following definitions apply:

2 (1) "Audit" means a financial audit and includes financial statement and financial-related audits as
3 defined by government auditing standards as established by the U.S. comptroller general.

4 (2) "Board" means the Montana board of public accountants provided for in 2-15-1756.

5 (3) "Department" means the department of administration.

6 (4) (a) "Financial assistance" means assistance provided by a federal, state, or local government entity
7 to a local government entity or subrecipient to carry out a program. Financial assistance may be in the form of
8 grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, direct
9 appropriations, or other noncash assistance. Financial assistance includes awards received directly from federal
10 and state agencies or indirectly when subrecipients receive funds identified as federal or state funds by recipients.
11 The granting agency is responsible for identifying the source of funds awarded to recipients. The recipient is
12 responsible for identifying the source of funds awarded to subrecipients.

13 (b) Financial assistance does not include direct federal, state, or local government cash assistance to
14 individuals.

15 (5) "Financial report" means a presentation of financial statements, including applicable supplemental
16 notes and supplemental schedules, that are prepared in a format published by the department using the
17 Budgetary Accounting and Reporting System for Montana Cities, Towns, and Counties Manual and that reflect
18 a current financial position and the operating results for the 1-year reporting period.

19 (6) "Independent auditor" means:

20 (a) a federal, state, or local government auditor who meets the standards specified in the government
21 auditing standards; or

22 (b) a licensed accountant who meets the standards in subsection (6)(a).

23 (7) (a) "Local government entity" means a county, city, district, or public corporation that:

24 (i) has the power to raise revenue or receive, disburse, or expend local, state, or federal government
25 revenue for the purpose of serving the general public;

26 (ii) is governed by a board, commission, or individual elected or appointed by the public or representatives
27 of the public; and

28 (iii) receives local, state, or federal financial assistance.

29 (b) Local government entities include but are not limited to:

30 (i) airport authority districts;

- 1 (ii) cemetery districts;
- 2 (iii) counties;
- 3 (iv) county housing authorities;
- 4 (v) county road improvement districts;
- 5 (vi) county sewer districts;
- 6 (vii) county water districts;
- 7 (viii) county weed management districts;
- 8 (ix) drainage districts;
- 9 (x) fire companies;
- 10 (xi) fire districts;
- 11 (xii) fire service areas;
- 12 (xiii) hospital districts;
- 13 (xiv) incorporated cities or towns;
- 14 (xv) irrigation districts;
- 15 (xvi) mosquito districts;
- 16 (xvii) municipal fire departments;
- 17 (xviii) municipal housing authority districts;
- 18 (xix) port authorities;
- 19 (xx) solid waste management districts;
- 20 (xxi) rural improvement districts;
- 21 (xxii) school districts, including a district's extracurricular funds;
- 22 (xxiii) soil conservation districts;
- 23 (xxiv) special education or other cooperatives;
- 24 (xxv) television districts;
- 25 (xxvi) urban transportation districts;
- 26 (xxvii) water conservancy districts; and
- 27 (xxviii) regional resource authorities; and
- 28 ~~(xxviii)~~(xxix) other miscellaneous and special districts.
- 29 (8) "Revenues" means all receipts of a local government entity from any source excluding the proceeds
- 30 from bond issuances."

SEC 24 7-6-4020
SEC 25 7-6-4035
SEC 26 15-6-420

(1) 2 **NEW SECTION. Section 9. Notification to tribal governments.** The secretary of state shall send a
3 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell
4 Chippewa tribe.

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6 **NEW SECTION. Section 10. Codification instruction.** [Sections 1 through ²²~~7~~ are intended to be
7 codified as an integral part of Title 7, and the provisions of Title 7 apply to [sections 1 through ²²~~7~~].

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9 **NEW SECTION. Section 11. Saving clause.** [This act] does not affect rights and duties that matured,
10 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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12 **NEW SECTION. Section 12. Effective date.** [This act] is effective on passage and approval.

13 - END -